Department of Health Services
Safe Drinking Water State Revolving Fund

SOURCE WATER PROTECTION LOAN APPLICATION GUIDELINES

2005/2006

Notice to All Applicants:
The Application Deadline for 2005 Invited Source Water Protection Projects is
December 30, 2005
Only those projects which have submitted a **COMPLETE APPLICATION TO**
Department of Health Services, Drinking Water Program, District Office by
December 30, 2005 will be considered for funding based on the June 2005 Invitations.

SOURCE WATER PROTECTION LOAN
APPLICATION INSTRUCTIONS AND GUIDANCE

A completed SWP application should be submitted as soon as possible, but, in all cases, must submitted no later than December 30, 2005. If a completed application is not received by December 30, 2005, the project will be bypassed for this funding cycle. The project will remain on the Project Priority List and may receive an invitation to apply in a future year. Only complete applications submitted by the December 30, 2005 deadline will be considered for the 2005 funding cycle. Incomplete applications will not be processed.

These instructions and guidelines are provided to assist applicants in filling out the loan application form for a source water protection (SWP) loan. The guidelines should be used in conjunction with a copy of the SDWSRF regulations for a better understanding of the SDWSRF program requirements, and a copy of the Drinking Water Source Assessment and Protection (DWSAP) program document (dated January 1999, with January 2000 revisions). The regulations, DWSAP program document, and this guidance should be studied carefully before attempting to complete the application in order to avoid confusion and possible unnecessary work. The instructions and guidance may not fit all situations, or there may still be some uncertainty as to what is required for a specific project application. In such cases, the applicant is encouraged to contact the District Office of the Department's drinking water program**. Applicants are advised that only applications determined by the District Office to be complete will be processed. Partial applications will not be considered as "received" and will not be processed.** The District Office will notify an applicant by letter when DHS determines an application is "complete," at which time review will begin. If a minor amount of information required to be submitted as part of the application is missing, the system will generally be notified within approximately 30 days of receipt of the application of the information that needs to be submitted before processing can begin. An applicant will have 30 days to provide the missing information. Failure to provide the information by the deadline will result in the bypass of the project for this year. The project will remain on the Project Priority List and may receive an invitation to apply in a future year.

Applicants are encouraged to contact the Department's district office for your area if you have any questions or need any assistance. In many cases, it may be helpful to have an initial meeting with District Office staff to discuss the proposed project, timing, project eligibility, environmental review requirements and procedures, federal cross-cutters, or any other aspect of your project. If you desire such a meeting, please contact the District Office covering your area.

There are several components to the complete application package. These include the Source Water Protection Loan Application (DHS 8588, 2/00), the Environmental Information Worksheet, and the Technical, Managerial, and Financial (TMF) Assessment Form. A summary of typical attachments to the application is provided on the last page of these guidelines, and on the last page of the application. Since federal funds are used to finance all SWP loans, specific TMF information needs to be provided

at the time of application to meet federal requirements. A community water system may have filled out a TMF Assessment Form and have had a TMF evaluation performed by the District Office. If so, simply attach a copy of the completed assessment form. For those systems that have not had an assessment conducted by the District Office, you must complete the TMF Assessment Form as completely as possible and submit it with your funding application. In some cases, the same information is requested in the application form and the TMF Assessment Form; however, applicants only need to provide the required information once. For example, if the required information on one of the forms is included in the engineering report, simply refer to the appropriate section of the report where this information is available. If you have any difficulty in completing the TMF Assessment Form, please contact the District Office.

These instructions follow the same order as the questions on the Application Form [DHS 8588 (02/00)]. Clarification concerning completion of the application can be obtained by contacting the DHS District Office for your area.

PART A. GENERAL INFORMATION

SWP Project Number. Provide number of the project that appears on the project priority list. This number is necessary in order for the Department to determine which priority list project the application addresses. Some water systems have multiple projects on the priority list, making it difficult to relate the application to a specific project without this number.

1. Name of the applicant water system. Provide the legal name of the public water system that is acting as the applicant for the loan. The name used should be the same as what appears on the domestic water supply permit. If it is different, please explain in an attached note. (If the applicant is a privately owned for-profit business such as a mobile home park, and is doing business under any name other than the owner's true name, the name of the applicant must be the name on the fictitious business name statement. A copy of the certificate of business name statement from the county, in which the statement was filed, must be provided. If the project involves more than one existing public water system, the water system whose name appears on this line must be the system that has been designated as the applicant and recipient of the loan on behalf of the water systems involved in the project. This agency will be assumed to be the party responsible for repayment of the loan and would sign the SRF funding agreement.

2. Water system ID Number. Provide the public water system number assigned to the water system by the Department to uniquely identify a water system. The number should be on the domestic water supply permit issued to your water system. Contact the District Office if you have difficulty locating the ID number.

3. Street Address. Provide the street address where the water system is located, not the address of an owner or company headquarters that may be located in a different city.

4. County. Identify the county in which the water system's distribution system is located.

5. Mailing Address. Provide the address where information and other mail regarding the loan should be sent

6. Authorized Representative. Identify the person who has the authority to represent the water system and sign documents pertaining to the loan funding application. If the water system is owned by a public agency or has a governing board, the application must include a copy of a resolution adopted by the governing body designating its authorized representative and authorizing the submission of a loan application. The loan application must be signed by the authorized representative. Should the water system change its authorized representative prior to final execution of the loan agreement, the Department must be notified in writing with a copy of a new resolution.

7. Principal Contact Person. Provide the name, title, telephone number, and e-mail address of the person that the Department should contact if we have any questions or need further information regarding the application or the project.

8. Project Engineer. Provide the name and address of the engineer or engineering firm that is or will be planning and designing the project, if known. The Department anticipates that a qualified engineer will prepare the engineering report that must be developed and submitted with this application. This information will be helpful in reviewing the project, discussing the design parameters to be used in the project and can speed up the review and approval of the application.

9. Estimated Amount of Loan Funds Requested. Provide only the amount of eligible project costs for which an SWP loan is being requested. (Refer to the SDWSRF program regulations regarding costs that are eligible for funding). This amount may differ from the preliminary estimate stated on the pre-application. The total project cost may be greater than the amount requested if other funds will also be used or if the project contains ineligible items. The requested loan amount should be based on the preliminary engineering design and estimated construction costs as set forth in the engineering report. The loan estimate should also include any cost of planning the project and preparing the application, for which the applicant may be seeking reimbursement. These costs can be reimbursed only if the application is approved and a loan agreement executed. SWP loans are limited to no more than $2 million per project.

PART B. MANAGERIAL INFORMATION

1. Classification of Water System. Check the box that represents your type of system. The three boxes represent the three types of systems that are eligible for source water protection funding. If you are unsure of the classification of your system, refer to the system domestic water supply permit. The system classification should be noted on the permit. If you are still uncertain, simply leave this space blank and it will be filled out by the Department based on our inventory records.

2. Ownership of the Water System. Check the box that corresponds to the ownership of your water system. Non-community water systems must qualify as a non-profit entity in order to be eligible. To verify this status, nonprofit owners of non-community water systems must include the appropriate IRS

non-profit identification number. Privately owned systems must include a copy of the fictitious name statement. Corporations must provide a copy of their Articles of Incorporation.

3. Name and Title of Water Operations Manager. Identify the person who has the direct responsibility for day-to-day operation of the water system.

4. Key Officers. Provide the name, title, and duties of key officers of the water system. If the organization of the water system includes a governing board or a board of directors, this can be shown on the organization chart; it is not necessary to name the members of the board or indicate their titles (e.g. chairman, vice chairman, secretary etc.) The organization chart should identify the reporting relationships and responsibilities of the persons shown listed on the application. The organization chart should identify those persons that have primary responsibilities for making decisions that affect the operation of the system.

5. Authority to Enter into Contract. Publicly owned systems must affirm that the applicant system has the legal authority to enter into an SWP loan contract. A resolution adopted by a public governing board (e.g. the city council or county board of supervisors) authorizing the submission of the application satisfies this requirement. A mutual water company should establish their authority by providing similar certification through a charter document or Articles of Incorporation.

6. Litigation. Identify whether there is any litigation pending that could affect the water system's financial situation to the extent that the system's loan repayment capability could be hindered. Minor litigation that does not have this effect does not have to be described. Note that if the litigation is over water rights, this needs to be described since it could affect the water system's ability to provide an adequate water supply.

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7. Contract Operations. Identify if any portion of the water system operations is contracted to a private entity or another agency. Where this is the case, the applicant must name the contractual party and provide a copy of the agreement.

8. Other Participating Agencies/Organizations. Provide the name of other agencies (such as water systems, government agencies, watershed protection groups, community groups, open space districts, etc. [if any]) participating in the project.

9. Leases. The Department must be assured that the water system has full control over all key facilities of the water system. Therefore, if any major portion of the water system, such as water sources, land upon which all or a portion of the system is located, treatment facilities, or pipelines are utilized pursuant to a lease, the applicant must either describe the terms of this lease or simply attach a copy to the application. Leased equipment such as vehicles does not need to be described. If a lease is critical to the proposed project, the lease will have to cover the loan repayment period (typically 20 years). An applicant that does not own or lease the land upon which all or a portion of the system is located, must have a recorded easement on the land upon which the facilities are located..

10. Water rights. Describe the nature of your water rights that apply to your source. State law requires that the Department establish that applicants hold any necessary water rights prior to issuance of a NOAA. If your source water is derived from a surface source pursuant to a riparian right or if you extract groundwater from a basin that is not adjudicated, provide a statement to that effect. If you

purchase water from another water source, indicate that fact and attach a copy of the executed contract. (The term of the contract must be as long as the SRF loan term.) If you divert surface water pursuant to a water right granted by the State Water Resources Control Board, attach a copy of that permit. If you have applied for a water right permit but one has not yet been issued, provide a copy of your application for the water right. If you extract water from an adjudicated groundwater basin, attach a copy of your right to extract such water from the basin water master.

PART C. TECHNICAL INFORMATION

IF AN APPLICANT IS CONSIDERING BEGINNING CONSTRUCTION PRIOR TO HAVING AN EXECUTED SRF FUNDING AGREEMENT, THE APPLICANT MUST CONTACT THE DHS DISTRICT OFFICE TO FIND OUT THE REQUIREMENTS WHICH MUST BE MET BEFORE APPROVAL WILL BE GIVEN TO PROCEED TO CONSTRUCTION.

1. Source Water Assessment. Provide a copy of the source water assessment, completed in accordance with the DWSAP program document.

2. Type of Contaminant and Associated Possible Contaminating Activities (PCAs). Provide here (or in the Engineering Report discussed below), a description of the type(s) of contaminant(s) that are to be addressed by the project (such as, microbiological contaminants, turbidity, nitrate, chemicals, or disinfection by-products). Provide a description of the PCAs that are the most likely sources of the contaminant(s). [Refer to DWSAP, Chapter 7].

   The project for which this application is being submitted was ranked based on a specific type of contaminant. It is possible that the proposed project will have residual benefits for other types of contaminants. However, to be considered eligible for funding, all elements or components of the proposed project must be directly related to the type of contaminant on which the project was ranked. The applicant should be aware that if unrelated problems or project elements are included, these elements may be excluded from funding consideration and would have to be paid for by the applicant.

3. Area or Zone Description. Describe the dimensions of the source water protection area or zone (length, width, radius, area, etc.), the physical location of the zone (address, community, county, etc.), and its proximity to the source and other water system facilities. The project was ranked on the priority list based on the source water protection area or zone in which the PCAs to be addressed are located. [Refer to DWSAP, Chapter 6].

4. Project Description. Provide a description here or in the engineering report of the project that will address the PCAs and protect the water source.

5. Land or Easement Acquisition. Check 'Yes' if the primary purpose of the project is to purchase land or easements, or if acquisition is an element of the project. SWP loan funds can be used to purchase land and easements only from willing sellers.

6. Map. Provide a showing the water system service area, the subject water source (well or intake location), water system facilities (i.e., other sources, treatment plant, distribution area), and the protection area or zones for the subject source. The source and adjacent protection zones should be shown on a USGS topographic quadrangle map, 7.5-minute series. Provide additional maps, as needed, to show watershed boundaries and system facilities.

7. Local Community Task Force. Describe any local task force or group working on source water protection. Include a list of participants, their affiliations, and the methods used to establish membership (i.e., volunteers, delegates from service groups, appointments by elected officials, invited stakeholders, etc.). This description must be included if the applicant indicated on the pre-application that a group exists. If no source water protection task force exists, describe plans for establishing one.

8. Population Served. Estimate the population served on an average daily basis within the service area of the subject water source. For community water systems, this would be the permanent population of the community. Seasonal community systems should use the average population served by the system during the peak period in which the system is in operation. Non-community water systems should use the average daily population served during the periods that the system is in operation. The estimated population can be derived from census data, use records, billing information, or by converting service connections to population using a conversion factor of 2.8 persons per connection whichever most closely approximates the actual number of persons served.

9. Service Connections. Provide the total number of active service connections that are currently and directly served within the service area of the subject water source. This includes all domestic or residential, industrial, commercial or other connections. Wholesalers, or persons who deliver water to another water system, should contact the District Office as to the appropriate number of service connections to be used since this may vary depending upon the type of project being proposed. Non-community water systems do not need to fill out this section (simply indicate “not applicable”).

10. Engineering Report. Attach an engineering report prepared by a qualified engineer or other professional with experience in source water protection design. Use of this type of expertise will speed up the processing of the application and will reduce the depth of the Department’s technical review. This section is the central part of the application and contains most of the technical information needed to process the application. There is no particular format for the report but it is essential that specific elements be addressed as described below.

    a. Analysis of Alternative Solutions. Provide an analysis of alternative solutions. Both State and federal law require that funds may be provided only to fund the most cost-effective solution to the problem. Therefore, it is essential that all feasible alternatives be evaluated. Alternatives that are obviously not feasible for economic or physical reasons do not have to be evaluated. An alternative should not be discarded solely for political reasons.

    In considering alternatives, only alternatives that involve significantly different concepts need to be evaluated. It is not necessary to evaluate different forms or variations of the same basic concept. For example, in evaluating alternatives for protection of surface water from microbiological sources, it is not necessary to compare signs for public education versus pamphlets. It is only necessary to compare public education (in general) against other concepts such as removal of sanitation facilities along the shoreline of a drinking water reservoir.

In addition to evaluating and discussing the "feasibility" of each alternative, the report should estimate and compare the costs and relative effectiveness, including reliability, of the alternatives. "Costs" need only be addressed in a general sense. The cost of alternatives does not need to break down the alternative into specific detailed costs, and may be based on typical construction costs, use of existing examples, or application of best engineering judgment.

State law also requires that the basic environmental impacts of each alternative be determined and compared. This information may be presented in the Initial Study that some systems will need to prepare as part of the Environmental review process pursuant to CEQA (California Environmental Quality Act). For those projects that have not gone through the CEQA process at the time of application submittal, an initial comparison of environmental impacts will need to be done. This comparison does not have to be detailed but merely compare the general impacts of the alternatives.

All factors will be taken into account but the primary decision as to which alternative to fund will be based on "cost-effectiveness." This means the project alternative that achieves an acceptable result at the least cost. In comparing the relative cost of each alternative, both initial capital costs, and operation and maintenance costs over the useful life of the facilities should be considered.

b. Project Description. Fully describe the selected project alternative. Each component and related equipment should be described as to necessity for solving the problem, function, size, and relationship to other project components. The useful life of the key project component (the component(s) that makes up the largest cost factor) should be estimated. The report should also describe how the project would address the type of contaminant and the associated PCAs.

c. Anticipated Benefits. Describe the anticipated results of the project. Results may include: an improvement in water quality, maintaining water quality, reduction in treatment costs, reduction in monitoring costs, potential public health benefits, etc.

d. Conceptual Project Design. Provide a conceptual or preliminary project design. For land and easement acquisitions, this may include a preliminary priority list or map of designated parcels or easement areas. For construction projects, this might include a project layout showing the size and location of new facilities or ones to be removed or relocated. For signs, the proposed language and the location should be shown.

e. Ineligible Costs. Identify any elements of the project that will be included but are ineligible for funding using the eligibility criteria in the regulations. The project can include ineligible components, however, the applicant will need to identify a funding source other than SWP funds to pay for the ineligible portion. If the application combines more than one project on the priority list, the elements or components of each of the combined projects should be identified separately.

f. Cost Breakdown of Proposed Project. Provide a cost estimate for the selected project alternative. In most cases, the cost estimates included in the pre-application forms were rough estimates. It is expected that the full application will refine those estimates. Applicants are not limited to the amount stated in the pre-application. In developing the cost estimates for the project, the applicant must break the total cost estimate down into various project elements. SWP projects funding is limited to a maximum of $2 million per project. As a minimum, show the anticipated costs of the

following items (assuming the applicant wishes to have these costs included in the loan amount). If the applicant intends to pay for any of the items from another source, such as reserve accounts, this should be shown on the summary table on the application form (Part D. item 5).

- Planning, preliminary engineering, and application preparation
- Design and engineering costs
- Construction costs broken down by:
  - Major project components
  - Land and easement acquisition
  - Eligible versus ineligible items
  - Construction management and contingencies
- Legal and administrative costs
- Other (describe)

If the project contains ineligible construction items, the percentage of indirect costs (planning, administrative, design etc.) that apply to the eligible construction portion should be estimated. This can be based on a straight pro-ration if desired and will be the method used by the Department unless some other means is indicated.

g. Scheduling. Include a proposed schedule for project completion. Include the time needed for preparation and submission of plans and specifications, completion of financing and preparation of construction bids (after approval of plans and specifications), completion of construction, and completion of purchase of land and easements, as well as the time needed to complete the CEQA and "NEPA-like" environmental review process. The schedule should be expressed as months needed rather than specific dates since the date for execution of the funding agreement (NOAA) is unknown. The District Office will use these estimates as a basis for preparation of an overall project schedule. .

> Should a preliminary funding offer [Notice of Application Acceptance – NOAA] be made, applicants must proceed towards completion of NOAA requirements such that a formal funding agreement can be entered into within **one year** of execution of a NOAA. Failure to do so may result in the NOAA being withdrawn. In addition, project construction must be completed within **three years** from the time the formal funding agreement is executed.

11. Environmental Documentation. Provide the required environmental review documentation. Since all SWP project funding relies on federal funds, each project must undergo an environmental review that complies with both CEQA, and the National Environmental Quality Act (NEPA). To comply with NEPA, the California SDWSRF program has established specific "NEPA-like" requirements, which have been approved by USEPA for SDWSRF projects. Due to the time required to complete the CEQA and NEPA-like process, in many cases this takes place following submission of an application. At the time of application, CEQA documentation, such as a negative declaration, various certifications, and an EIR may be submitted if they are completed. If such documentation is not available, the application should

include as an attachment, a plan and proposed schedule for completion of all CEQA requirements. The SWP project cannot receive funding if construction begins before the environmental review process is completed for the project. The environmental review process must be completed before a loan contract will be executed.

Included with the application package material is Environmental Guidance prepared by the Department to assist you in understanding and preparing the appropriate environmental documentation. All of the environmental documents will be reviewed and approved by the Department's **SDWSRF Environmental Review Unit**. Staff of this unit is available to assist you and respond to environmental compliance questions related to the project. They may be contacted at **(916) 449-5641.**

PART D. FINANCIAL INFORMATION

The purpose of financial information is to assist the Department in determining the affordability of the proposed project. Affordability is measured in terms of water service charges imposed on residential customers. In particular, Items 1 through 3 should be as accurate as possible. In estimating projected costs, use current dollars and do not apply an inflation factor

1. Average current monthly residential water bill. Determine the average current monthly residential water bill. (Do not include industrial and commercial users.) This can be done by an evaluation of past charges or some other method. If the water system uses a "tiered" water rate, the charge should reflect what a typical residential user pays. The rate should reflect direct water charges plus any other fees or charges that support the water service such as parcel fees, standby charges, water taxes, and surcharges. In addition to providing the average monthly water rate, the application should describe the method that was used to calculate the average residential rate. In addition, attach a copy of the current rate structure for your water system to the application.

2. Impact of the SWP loan on the average monthly residential water bill. Calculate what the projected average monthly residential water bill will be if the SWP loan funding is provided. Estimate the portion of the eligible project cost that will be passed on to the consumers (this should be consistent with the engineering report) and the effect this cost will have on water rates. In calculating this projected cost, all related costs of the eligible project (do not include any ineligible project costs), including operation and maintenance costs, should be included. No SDWSRF grant funding should be assumed; however, grant funds from other agencies can be included in the calculation. Disadvantaged communities may assume a zero interest rate on their loan but other agencies should use a higher rate**. During calendar year 2005, the projected interest rate for conventional SWP loan offers is 2.4517 percent**. SWP loans are for 20 years. If you are not certain whether your community qualifies as "disadvantaged," use the higher rate. Do not include anticipated increases in the water bill that are not related to the eligible portion of the SDWSRF project (this will be included in the next item).

Provide the methodology and calculations for determining the cost impact of the SWP project. The Department will assume that project costs will affect residential and nonresidential water charges in a proportional manner to current costs. If this is not the case, describe the reason for shifting the cost burden.

3. Average projected monthly residential water bill. Provide an estimate of the total overall projected water charges that will be passed on to residential water users, including repayment of SWP related costs. The regulations require an applicant to develop and submit with the application, a 5-year revenue/expenditure projection. This projection visualizes all of the expenditures that are planned for this water system, including the loan repayments for the proposed project over the next 5 years. This should include any ineligible project costs as well as non-project related water system costs that will be imposed on the residential users during the next 5 years. This is calculated in a similar fashion to the previous items. As an example, the current average residential water rate may be $20 per month, the impact of the proposed project loan may raise this to $28 per month, and the overall projected monthly rate for the next 5 years may be $35 per month.

The financial information provided in Items 1, 2, and 3 is **critical** for establishing the affordability of the proposed project.
Affordability is measured in terms of water service charges imposed on residential customers.
Therefore, items 1 through 3 should be as accurate as possible.
In estimating projected costs, **use current dollars and do not apply an inflation factor**.

4. Water rate structure. Attach the water rate structure (for all consumers) covering the past 3 years.

5. Estimated Project Cost Table. Summarize the project cost broken down by category and source of funding. Much of this information may be derived from the engineering report but it may not be in this format, therefore, it should be re-summarized here. If the categories used in the engineering report are more detailed than the categories listed in column 1, the categories in the engineering report may be used. Indicate the source of funding for any ineligible items that will be included in the project and that will be paid by the applicant. The total amount at the bottom should be equal to the total cost of the project. In item F, Contingencies, inclusion of a contingency for unforeseen construction costs is strongly recommended. Pursuant to Section 63010(d) of the regulations, construction change orders that occur during construction that result in a cost increase not covered by contingencies must be paid for by the applicant. In addition, once a funding agreement is executed, an entity has only one opportunity to request a funding increase, and that increase must be based upon bids. The entity is responsible for any cost increase after that.

6. Source of Other Funds Table. Provide a breakdown for column No. 4 (other loans and grants) of the Estimated Project Cost Table. If project funding will be entirely from SWP funds, this section does not need to be filled out. If the proposed project will be funded from multiple sources, provide a breakdown of those sources in this box. For example, if additional funds will be obtained from a federal agency or from a private lender, the full name of each of the lenders or grantors should be listed under Fund Source. Designate whether the funds are in the form of a loan, a grant, or in the

case of applicant funds, whether these are from cash reserves or some type of internal loan. Specify whether the other funds have been applied for and/or secured. If an applicant's ability to repay the SWP loan, or if commencement of the project is contingent upon receiving these other funds, the Department will impose a condition that these other funds be secured before a loan contract will be executed. The Department encourages the use of multiple funding sources, and works cooperatively with these other funding agencies to coordinate and expedite funding.

7. Source of funds for loan repayment. Describe the funding source that you plan to use for loan repayment. The federal SDWSRF requirements make it clear that an applicant must have a "dedicated" source of funds for loan repayment. Prior to actual loan execution the applicant must submit a resolution or ordinance adopted by the governing board establishing the dedicated funding source.

8. Revenue/expenditure projection. Provide a five-year revenue/expenditure projection for the water system.

9. Existing indebtedness. Provide information on any existing outstanding loans of the water system.

10. Cash reserves. Describe any cash reserves that your water system has in place. Include any cash-flow reserve, emergency reserve, equipment replacement fund, contingency reserve etc. This information is needed to help establish the financial viability of your water system. If a loan contract is executed, the loan agreement will require your system to maintain a loan repayment reserve equal to two semi-annual payments.

11. Accounting systems. Describe the accounting procedures used, or planned to be used, by your water system if the loan is executed. This information is necessary to assure that the USEPA accounting procedures are satisfied.

> The Department of Water Resources (DWR) conducts the financial analysis of applications with respect to loan repayment capability, and prepares a financial report for submission to DHS. The report will contain the recommended loan amount, grant eligibility, interest rates, and loan repayment terms. You may be contacted directly by DWR with respect to any financial items.

PART E. FEDERAL CROSS-CUTTING REQUIREMENTS

Applicants are required to review and sign the certification of intent to comply with the listed federal laws and authorities.

PART F. ATTACHMENTS TO APPLICATION

Attachments:

a) Part A, No. 6 — A resolution or resolutions from the water system's governing body providing the following (as applicable):

1) Resolution designating the authorized representative and authorizing that individual to apply for a SDWSRF (SWP) loan (all systems)

2) Resolution or ordinance dedicating repayment source (not required at time of application, will be required prior to execution of loan agreement)

b) Part B. No. 4 — Titles and duties of key officers and personnel.

c) Part B. No. 5 — Legal authority statement (Public Owned Systems Only)

d) Part B. No. 6 — Description of pending litigation, and the potential costs

e) Part B. No. 7 — Agreement for operation of facility

f) Part B. No. 8 — Participating Agencies – list of other agencies/organizations participating with applicant in project.

g) Part B. No. 9 — Lease of land or major water system facilities

h) Part B. No. 10 — Water rights documentation

i) Part C. No. 1 — Complete DWSAP Source Water Assessment

j) Part C. No 6 — Map of service area and location of water system facilities, drinking water source, and protection area and/or zones

k) Part C. No. 10 — Engineering Report

l) Part C. No. 11 — Plan and schedule for CEQA compliance; completed CEQA documentation

m) Part D. No. 4 — Water system rate structure for last three years include a description of the calculation for the average household water rate

n) Part D. No. 8 — Five-year revenue and expenditure projection for the water system

o) Part D. No. 9 — Description of all long-term indebtedness

p) Part E. — Certification of compliance with federal cross-cutting requirements

q) Technical, Managerial, & Financial — TMF Capacity Assessment Form SDWSRF Applications